

AGENDA: June 24, 2003

4.2

CATEGORY: Consent

DEPT.: City Manager

TITLE: Designation of Cable Television Public Access Funding

RECOMMENDATION

Adopt A RESOLUTION ESTABLISHING THE AMOUNT OF THE CABLE OPERATOR'S PUBLIC ACCESS OPERATIONS PAYMENT OFFSET FOR THE SEPTEMBER 1, 2003 THROUGH AUGUST 31, 2004 FRANCHISE YEAR, to be read in title only, further reading waived.

FISCAL IMPACT

Adoption of this resolution will allow Mountain View Community Television (dba KMVT) to receive \$125,000 in public access operating support funds for the September 1, 2003 through August 31, 2004 cable television franchise year. This money will be deducted, or offset, from the \$198,000 public, educational and government (PEG) access support payment the cable operator is required to make to the City each year. The remaining \$73,000 from the annual PEG access payment will be retained by the City.

BACKGROUND AND ANALYSIS

During the City's franchise negotiations with the cable operator in 1996, staff was able to secure a commitment from the cable operator for a \$125,000 annual payment to support the operations of KMVT, the community's public access nonprofit corporation.

This \$125,000 payment to support KMVT's operations may be offset from the annual \$198,000 PEG access support payment the cable operator is required to make to the City pursuant to Section 8.2 of the franchise agreement between the City and cable operator and Resolution No. 16003, which were executed as part of the renewal of the cable television franchise in 1996 (Attachments 1 and 2).

In order for the offset to occur each year, the City must annually establish by resolution an offset limit for the franchise year.

Attachment 3 to this report establishes the maximum public access operations payment offset amount of \$125,000 for the September 1, 2003 through August 31, 2004 franchise year.

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During the FY 2003-04 budget development process, the City Council directed staff to take the actions necessary to ensure that KMVT would continue to receive the full value of the annual \$125,000 PEG payment during the last three years of the City's cable television franchise agreement with Comcast, the City's cable operator. Adoption of the resolution will achieve the City's commitment in this regard for the September 1, 2003 through August 31, 2004 franchise year.

CONCLUSION

Staff recommends approval of the proposed resolution establishing the amount which the cable operator can offset from its annual cash payment to the City to support KMVT's public access operations for the September 1, 2003 through August 31, 2004 franchise year.

PUBLIC NOTICING

In addition to distributing copies of this report in accordance with the City's standard agenda posting requirements, copies of this report were mailed to KMVT and Comcast.

Prepared by:

Approved by:

Linda Forsberg
Deputy City Manager

Nadine P. Levin
Assistant City Manager

Kevin C. Duggan
City Manager

LF/6/CAM
601-06-24-03M^

Attachments: 1. Cable Franchise Agreement—Excerpt Section 8.2

2. Resolution No. 16003—Resolution Allowing Brenmor Cable Partners L.P. to Offset Capital Grant Payments

3. Proposed Resolution Establishing the Amount of the Cable Operator's Public Access Operations Payment Offset for the September 1, 2003 Through August 31, 2004 Franchise Year

CITY OF MOUNTAIN VIEW
RESOLUTION NO. 16003
SERIES 1996

A RESOLUTION ALLOWING BRENMOR CABLE PARTNERS, L.P. TO
OFFSET CAPITAL GRANT PAYMENTS

WHEREAS, Mountain View Community Television doing business as KMVT manages the public access channel(s) in the City of Mountain View; and

WHEREAS, Brenmor Cable Partners, L.P. and KMVT have entered into a valid and binding contract under which Brenmor Cable Partners, L.P. would provide certain funds to KMVT if certain renewal franchise obligations were replaced, which agreement is outside the Franchise Agreement between the City of Mountain View and Brenmor Cable Partners, L.P.; and

WHEREAS, Brenmor Cable Partners, L.P., a cable operator in the City of Mountain View, would be required to provide a capital grant to the City under its proposed renewal franchise, dated September 1, 1996 for identification purposes, and Brenmor Cable Partners, L.P. has requested to offset the funds it provides to KMVT under its contract against the capital grant requirement specified in Section 8.22 of the Franchise Agreement; and

WHEREAS, it is in the public interest to agree to the offset because it would provide for greater flexibility in the delivery of public, educational and government access to the citizens without placing any greater burden on the City of Mountain View, cable system subscribers or Brenmor Cable Partners, L.P.;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mountain View as follows:

Commencing on the effective date of the Franchise Agreement and continuing through the first year of the Franchise Agreement (September 1, 1996-August 31, 1997), Brenmor Cable Partners, L.P. and its lawful successors and assigns which are or become parties to the KMVT contract may offset any payment provided under a valid and binding contract to KMVT or any other entity designated by the City to manage the public access channel against the capital grant payment required under the Franchise Agreement, Section 8.22 for the Agreement's first year, up to a total amount of \$125,000.

The foregoing Resolution was regularly introduced and adopted at an Adjourned Regular Meeting of the City Council of the City of Mountain View, duly held on the 30th day of July, 1996, by the following vote:

AYES: Councilmembers Bonnell, Cochran, Figueroa, Kleitman, Lewis,
Takahara, and Mayor Faravelli

NOES: None

ABSENT: None

NOT VOTING: None

ATTEST:

APPROVED:

KATHERINE B. KOLIOPOULOS
CITY CLERK

RALPH FARAVELLI
MAYOR

I do hereby certify that the foregoing resolution was
passed and adopted by the City Council of the City of
Mountain View at _____ meeting
held on the _____ day of
_ by the foregoing vote.

City Clerk
City of Mountain View

JLQ/RESO/010-7-22-96R?

**CITY OF MOUNTAIN VIEW
RESOLUTION NO.
SERIES 2003**

**A RESOLUTION ESTABLISHING THE AMOUNT OF THE
CABLE OPERATOR'S PUBLIC ACCESS OPERATIONS PAYMENT OFFSET
FOR THE SEPTEMBER 1, 2003 THROUGH AUGUST 31, 2004 FRANCHISE YEAR**

WHEREAS, Mountain View Community Television (MVCT), doing business as KMVT, manages the public access channel(s) in the City of Mountain View; and

WHEREAS, the City's current cable operator and KMVT have entered into a valid and binding contract, which agreement is outside of the franchise agreement between the City of Mountain View and the cable operator; and

WHEREAS, the cable operator is required to provide an annual capital grant to the City under its franchise dated September 1, 1996 for purposes of identification; and

WHEREAS, Section 8.2.4 of the franchise agreement provides that if the cable operator has a valid and binding contract with KMVT, the cable operator may offset any amount it pays under such contract against the capital grant payment to the City; and

WHEREAS, the cable operator has requested to offset the funds it provides to KMVT under its contract against the capital grant requirement specified in Section 8.2.2 of the franchise agreement; and

WHEREAS, it is in the public interest to agree to the offset because it would provide for greater flexibility in the delivery of public, educational and government access to the citizens without placing any greater burden on the City of Mountain View, cable system subscribers or cable operator;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mountain View as follows: commencing on the effective date of this resolution and continuing throughout the sixth year of the franchise agreement (September 1, 2003 through August 31, 2004), the cable operator shall be permitted to offset any payment provided under a valid and binding contract with MVCT up to a maximum of \$125,000 against the annual capital grant payment owed the City for purposes of

providing financial support to MVCT for its public access operations, as set forth in Section 8.2 of the franchise agreement between the City and the cable operator.

LF/6/RESO
601-07-08-03R^